GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:7335
ANSWERED ON:13.05.2005
FUNDS FOR MODERNISATION OF MINES
Reddy Shri Karunakara G.

Will the Minister of MINES be pleased to state:

(a) the total allocation of funds for modernization of mines in public joint sector for the Tenth Five Year Plan;

(b) the funds provided for this purpose during the year 2003-04 and the funds proposed to be provided during the year 2004-05;

(c) whether any time bound programme has been prepared for modernization of these mines;

(d) if so, the details thereof; and

(e) the overall benefit likely to be derived from this move?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYANA RAO)

(a) : No provision has been earmarked for modernisation of mines in public sector undertakings and joint sector companies under Ministry of Mines in the Tenth Five Year Plan. However public sector undertakings and joint sector companies have been incurring expenditure on expansion and development of their mines from their resources. Hindustan Zinc Ltd., a joint sector company, has estimated Rs. 297.00 crores for modernization of their mines over a period ranging from 2002 -2003 to 2006-07.

(b) : Hindustan Zinc Ltd. had incurred expenditure of Rs. 20.00 crores and Rs. 208 crores for 2003-2004 and 2004-2005 respectively on modernization.

(c) & (d) : A time bound programme has been prepared by Hindustan Zinc Ltd. (HZL) for modernization of its mines, both at Zawar Group and Rajpura Dariba. The modernization measures include higher capacity haulage equipment, installation of Energy Efficient Compressors, automation in the Concentrators through field instrumentation and installation of advance process control system etc. There will be improvement in the equipment productivity with the installation of higher capacity modern equipment/machineries. The modernization programme also includes reopening of Baroi lead zinc mine at Zawar, operationalization of Sindesar Khurd lead-zinc mine in Rajpura Dariba. All these activities are expected to be completed by the end of the year 2006.

(e) : With the aforesaid modernization programme, the benefits likely to be derived are as under:

S.No.	Benefits	2002-03(Actual)	2005-06(Estimates)
1.	Lead-Zinc ore production	3.1 million tonnes	4.7 million tonnes
2.	Zinc concentrate (Metal content)	262118 MT	430,000 MT
3.	Lead concentrate (Metal content)	37917 MT	61,000 MT
4.	Zinc Recovery	88.64%	91.12%